

# TEC



ELECTRONICALLY FILED

Friday, July 1, 2022

TR2236704

ALABAMA PUBLIC SERVICE COMMISSION

WALTER L. THOMAS, JR., SECRETARY

June 29, 2022

Honorable Walter L. Thomas, Jr., Secretary  
Alabama Public Service Commission  
RSA Union Building  
100 North Union Street  
Montgomery, AL 36104

**RE: APSC Certification of Eligibility to Receive High Cost Support  
Pursuant to 47 C.F.R. §54.314; APSC Docket 25980**

Dear Mr. Thomas:

In conjunction with the Alabama Public Service Commission's (the "Commission") annual certification requirements, please find attached the certification of National Telephone of Alabama, Inc. marketing under TEC (the "Company") that the Company is eligible to continue to receive support from the Connect America Fund ("CAF"). If any additional information is required, please contact me at (601) 354-9070.

Very truly yours,

Lisa Wigington  
Vice President of Strategic Operations

Enclosure (1)

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## CERTIFICATION

In its December 20, 2001 and September 27, 2011 Orders in APSC Docket 25980, this Commission determined that it could best meet its monitoring and certification obligations by requiring the "rural LEC Cost Companies" to file with the Commission a copy of their supporting annual interstate cost separation study, annual USF-HCLS filing and estimated USF-LSS filing for review and each of the "rural LEC Average Schedule Companies" to file with the Commission a copy of NECA's proposed annual USF-HCLS and USF-LSS amounts for review. Pursuant to the Order, the Company's requirement to provide the Commission with a copy of its most recent annual interstate cost separation study and estimated 2017-2018 Connect America Fund ("CAF") ICC Support, which includes USF-LSS has been superseded by the requirement to file the attached FCC form 481.

National Telephone of Alabama, Inc. hereby certifies that it has used the federal high-cost support in the preceding calendar year and will use the funds for the upcoming calendar year for the provision, maintenance and upgrading of facilities and service for which such support is intended.

The Company hereby certifies that it has submitted via annual NECA filings, expenditures in support of its universal service filing. USF disbursements received by the Company and other rural incumbent local exchange companies that require state commission certification are divided into **three categories**: High Cost Loop Support ("HCLS"); Safety Net Additive Support ("SNAS"), and the Connect America Fund ("CAF"). The FCC in conjunction with the Federal-State Joint Board on Universal Service has created each of the above mechanisms. This means that representatives from State Commissions have also been involved in the development of these mechanisms through their representation in the Joint Board process.

The Company elected to receive Alternative Connect America Cost Model ("A-CAM") funding beginning in January 2017. This funding was made available by the FCC by WC Docket No. 10-90, Connect America Fund to further the goal of providing robust broadband access throughout the nation. The model support must be elected by state and therefore is distributed to both the Company and its Alabama affiliate Roanoke Telephone Company, Inc. evenly by month, originally over a 10-year period. The total for the two Alabama ILECs amounted to \$1.05 million annually. In May of 2018, the FCC extended a second offer for ACAM participants to fully fund the ACAM model which increased the total 10-year funding to \$1.23 million annually with a true up payable in 2018. In March of 2019, the FCC extended a third offer for ACAM participants to fully fund the ACAM which increased the total funding to \$1.28 million annually with a true up payable in 2019. The March 2019 offer also extended the original 10-year timeframe for an additional 2 years, to December 2028. Electing to receive the A-CAM funding requires that the Company build out cable plant to rural areas to provide a certain level of broadband internet within the funded locations. The Company will still be required to meet the previous buildout obligation for 10/1 Mbps service but accepting the third ACAM offer changed the buildout obligation for 25/3 service. In 2022, the Company must be able to provide 25/3 Mbps service to at least 40% of the requisite number of eligible locations by end of the 2022, 50% by the end of 2023, 60% by the end of 2024, 70% by the end of 2025, 80% by the end of 2026, 90% by the end of 2027, and 100% by the end of 2028.

CAF support in 2021 was \$136,866. The Company further certifies that it will only use the CAF ICC Support it receives during 2021-2022 for the provision, maintenance and upgrading of facilities and service for which such support is intended as described in 47 C.F.R. § 54.101. Those services, which are available to any customer in the Company's service area are: single-party voice grade access to the public switched network, unlimited local usage, dual-tone multi-frequency signaling or its functional equivalent, access to emergency services, including 9-1-1 service or enhanced 9-1-1 service, access to operator service, access to interexchange service, and access to directory assistance, and toll limitation for qualifying low-income customers.

All of these programs are administered through USAC, a private, not-for-profit corporation. USAC assists NECA in data collection necessary for the remittance of universal service funds. This means each company submits, no less frequently than annually, detailed information requested by NECA in the USF data collection process necessary for the remittance of universal service funds.



Rural ILECs must attest to the information submitted. Further, NECA and its auditors must attest to the validity and integrity of NECA's process. In other words, the ILEC cost studies and responses to data collection requests are subject to audit. The information provided in response to all of the universal service fund mechanisms utilizes FCC accounts for regulated costs and must be in compliance with FCC rules in Parts 32, 36, 54 and 64.

On March 1, 2019 National Telephone of Alabama, Inc. exited the NECA Traffic Sensitive Pool effective July 2, 2019. The Company has become an issuing carrier under the John Staurulakis, Inc. (JSI) Tariff. The Company is required to establish traffic sensitive switched access rates in compliance with the FCC Part 51, Subpart J Transitional Access Pricing rules. As a result of this change all of the Company's interstate revenues will be transitioned to "bill & keep". Also, this change will give the Company greater pricing flexibility to respond to competitive pressures. These changes will allow the Company to be competitive in the market, but the Universal Service Administrative Co. ("USAC") ensures that the tariff changes do not affect high cost support obligations. To ensure the highest level of program integrity USAC conducts audits of beneficiaries of USF disbursements. USAC operates the Beneficiary and Contributor Audit Program ("BCAP") and Payment Quality Assurance Program ("PQA").

All cost studies submitted by rural ILECs and all USF funding received by rural ILECs must be based upon financial statements. In addition, NECA performs focus reviews of USF data collection as well as the USF filings for the cost companies involved in the NECA process. In addition, an officer of the rural ILEC must certify to the accuracy and validity of the filed information.

Any questions regarding this submission or the underlying documentation previously submitted to the Commission should be directed to Lisa Wigington at (601) 354-9070.

Respectfully Submitted,

NATIONAL TELEPHONE OF ALABAMA, INC.

By: 

Lisa Wigington

As Its: Vice President of Strategic Operations

Date: June 29, 2022



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June 29, 2022

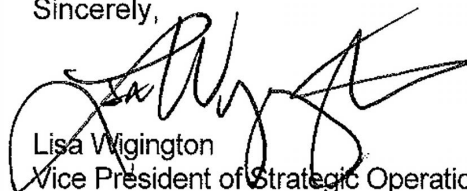
Honorable Walter L. Thomas, Jr., Secretary  
Alabama Public Service Commission  
RSA Union Building  
100 North Union Street  
Montgomery, AL 36104

Dear Mr. Thomas:

National Telephone of Alabama, Inc. is unable to file the FCC Form 481 with the ETC filing at this time. The FCC issued a limited waiver of the July 1st deadline to file Form 481 while it awaits Paperwork Reduction Act (PRA) approval for the annual data collection by the Office of Management and Budget (OMB). Once we have been notified of this approval and the form 481 has been submitted, we will submit the 481 to the PSC.

If you have any questions, please feel free to contact me at 601-354-9070 or email at [LisaW@tec.com](mailto:LisaW@tec.com). Thank you for your assistance in this matter.

Sincerely,



Lisa Wigington  
Vice President of Strategic Operations